76 03013

official statement

City of Napa and the Housing Authority of the City of Napa City-Housing Authority Building Authority

Napa County, California

$1,150,000
1975 Building Facility Revenue Bonds

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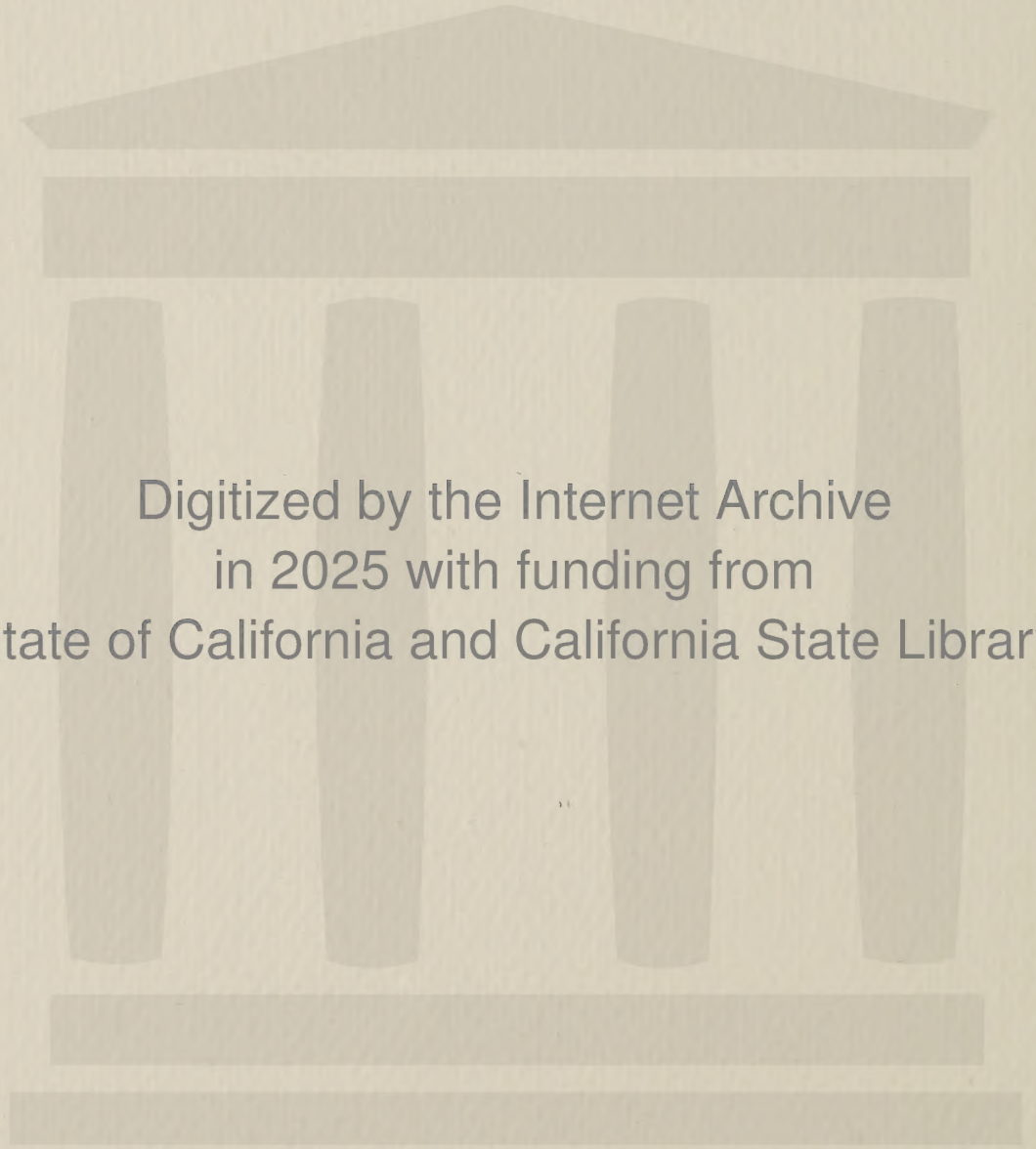
UNIVERSITY OF CALIFORNIA

Bids to be received by a representative of the Authority at 11:00 A.M., Monday, April 21, 1975, at the office of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California 94111.

[Stone + Youngberg, munic. fin. consultants]
Publ. buildings Munic. Napa
" debts "
Investments Publ. securities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CITY OF NAPA AND THE HOUSING AUTHORITY OF THE CITY OF NAPA
CITY-HOUSING AUTHORITY BUILDING AUTHORITY
Napa County, California

Ralph C. Bolin, *Chairman*

William L. Chew, *Vice-Chairman*
Helen Dunlap
R. Dale Kirkpatrick
Ernest A. Rota

CITY OF NAPA
City Council and City Housing Authority

Ralph C. Bolin, *Mayor*

Paul R. Gore, *Vice Mayor*
William L. Chew
James V. Jones
Dorothy G. Searcy

CITY ADMINISTRATION

Lee M. Roberts, *City Manager*

Frank L. Dunlap, *City Attorney*
Allen R. Thorpe, *City Clerk, Treasurer & Collector*
John W. Lindblad, *Public Works Director*
William C. Wright, *Finance Director*

PROFESSIONAL SERVICES

Bell & Simpkins, Napa
Architects

Orrick, Herrington, Rowley & Sutcliffe, San Francisco
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc., San Francisco
Financing Consultants

Crocker National Bank, San Francisco
Trustee and Paying Agent

The information contained within this Official Statement was prepared under the direction of the City of Napa and the Housing Authority of the City of Napa City-Housing Authority Building Authority by Stone & Youngberg Municipal Financing Consultants, Inc., financing consultants to the Authority in connection with the proposed bond issue.

All of the following summaries of the statutes, ordinances, and documents are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

The information contained within this Official Statement has been compiled from sources believed to be reliable. The Official Statement contains estimates and matters of opinion which are not intended as representations of fact. This Official Statement is not to be construed as a contract with the purchasers of the bonds.

THE DATE OF THIS OFFICIAL STATEMENT IS MARCH 17, 1975.

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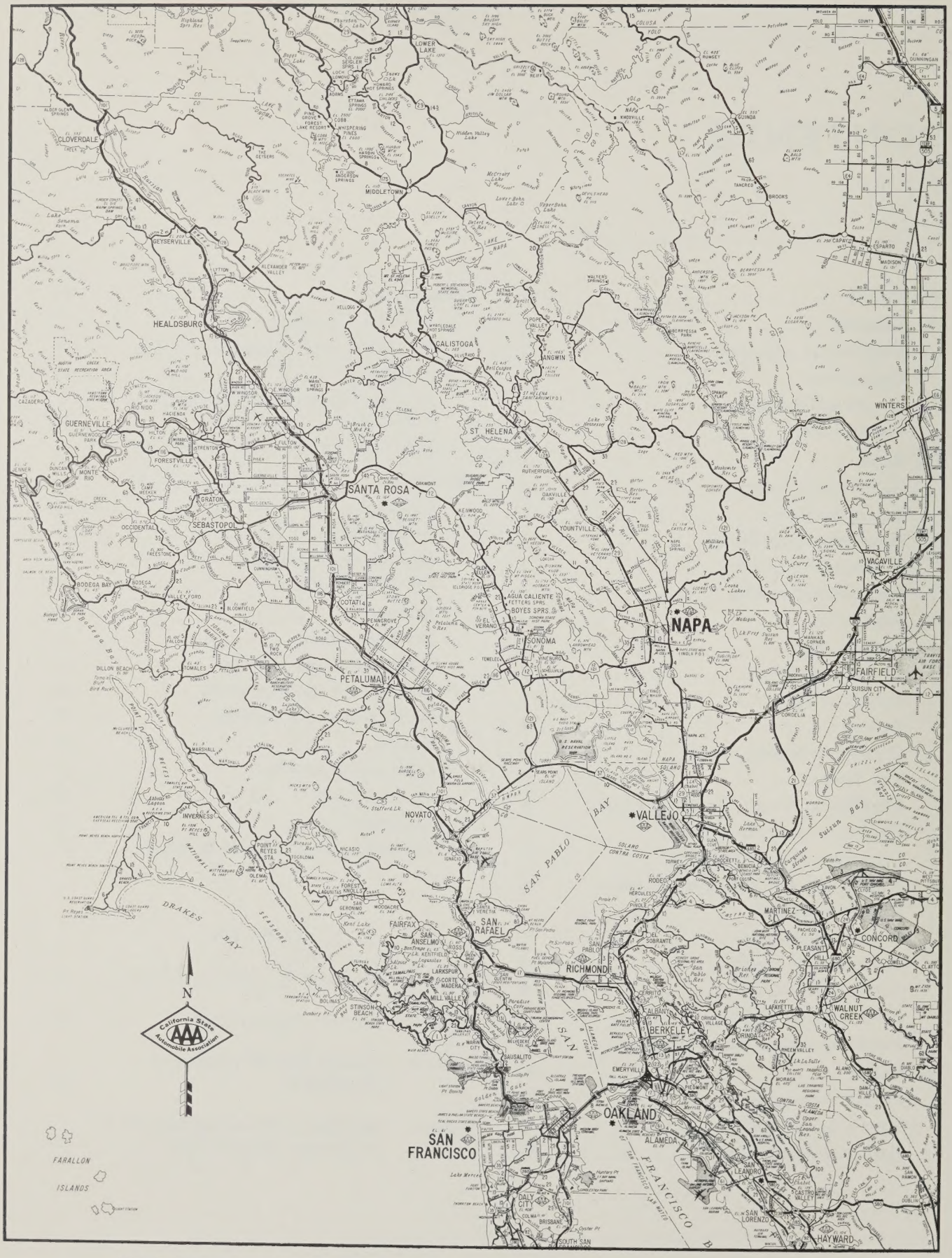

Vicinity Map showing the City of Napa and its proximity to the San Francisco metropolitan area.

INTRODUCTION

The City-Housing Authority Building Authority (the "Authority") was formed by a Joint Exercise of Powers Agreement between the City of Napa and the Housing Authority of the City of Napa. The purpose of the Authority is to acquire and improve an existing building to be used for offices of both the city and the housing authority.

The Authority exists as a separate public agency under the laws of California, with powers established by the Joint Powers Agreement.

The Joint Powers Agreement will remain in force until payment, or provision for payment, of the bonds of the Authority has been made. It provides, in general, that the Authority will issue revenue bonds to acquire and improve the building and lease the site and facility thereon to the city. The city will pay annual base rentals sufficient to meet debt service on the Authority bonds plus an amount sufficient for the Authority to meet its annual expenses in connection with the project.

Under the lease of the project from the Authority, the city will covenant to include the total rental in its budget each year and to appropriate the necessary money for rental payment.

The city will also sublease a portion of the project to the city housing authority and rent received will be used by the city towards meeting its base rental obligation to the Building Authority.

To further insure prompt payment of the bonds, the following additional safeguards will be provided.

1. A Reserve Fund equal to one-half maximum annual bond service will be created from bond proceeds and an additional reserve equal to at least another one-half maximum annual bond service will be maintained by the timing of rental payments.
2. Various types of insurance will be provided, including earthquake, fire and extended coverage plus business (rent) interruption insurance equal to two years' base rental and additional rental for all such perils, and public liability and property damage protection.
3. Interest on the bonds will be funded from bond proceeds for the anticipated construction period plus an additional six months, being a total of twelve months. In addition, the construction contract provides that in the event of failure to complete on time (180 calendar, days from notice to proceed) there will be liquidated damages payable by the contractor in the amount of $100 per day if the facility is not completed on time, assuming the provision is not voided by judicial action.
4. A policy of title insurance with lender's leasehold endorsement insuring the validity of the lease will be obtained prior to the delivery of the bonds.

The City of Napa is a charter city, incorporated in 1872. The city operates under the council-manager form of government. Napa is located approximately 50 miles northeast of San Francisco and 60 miles west of Sacramento, the State Capitol.

The January 1974 population of Napa, as estimated by the California State Department of Finance, is 45,450, approximately twice the 1960 population. It is estimated that approximately half of this increase is due to annexation.

The 1974/75 assessed valuation of the city is $114,554,074. The city's tax rate has been $1.77 per $100 assessed valuation for the last seven years. The total 1974/75 tax rate applicable to the largest code area in the city is $11.14. This rate has been reduced steadily since 1970/71 when the total was $12.59. Tax delinquencies have averaged 2.31% over the last five years. The 1973/74 delinquency was 2.19%. The outstanding general obligation bonded debt of the city will be $6,800,000, on the date of sale of the bonds currently offered. Of these bonds, $6,130,000 are self-supporting water bonds. The total direct and estimated overlapping debt will be $12,266,616.

The general fund revenues of the city (excluding water system revenues) were $6,126,511 in 1973/74; less than ¼ of the total came from property taxes. The city reported a fund balance as of June 30, 1974 of $1,973,010, which equals more than four months' operating expenses.

THE AUTHORITY

Joint Powers Agreement

The City-Housing Authority Building Authority was created by a Joint Exercise of Powers Agreement dated December 1, 1974, between the City of Napa and the Housing Authority of the City of Napa. The agreement was made under provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California, commencing with Section 6500. A copy of the agreement is included among the legal documents accompanying this official statement.

The Agreement has a stated term from December 1, 1974, until payment or provision for payment of the Authority revenue bonds has been made, at which time it will terminate automatically.

Organization

The Authority exists and acts as a separate public entity and is governed by a five-member Board. Three members are appointed by the city and two members are appointed by the city housing authority. The members of the Board are:

Ralph C. Bolin, Chairman of the Board and Mayor of the City of Napa—appointed by the city for a four-year term.

William L. Chew, Vice-Chairman of the Board and Councilman, City of Napa—appointed by the housing authority for a four-year term.

Helen Dunlap, grant specialist—appointed by the housing authority for a two-year term.

R. Dale Kirkpatrick, bank officer—appointed by the city for a two-year term.

Ernest A. Rota, mortician—appointed by the city for a four-year term.

The City Treasurer and City Auditor are ex-officio the treasurer and auditor of the Authority. The Board shall appoint a secretary and such other officers as necessary.

Powers and Purposes

The Authority has the power to acquire, construct, maintain, and operate the project and lease the project to the city, to make and enter into contracts, to acquire, construct, manage, maintain or operate any buildings, works or improvements, to acquire property by lease or purchase, to hold or dispose of property by lease or sale, to incur debts and obligations which are not debts or obligations of the member public agencies, including the power to issue revenue bonds to finance construction of the facilities.

Project Lease

The city presently leases the project, an existing building, and has an option to buy the building. Not later than the date of issuance of the Authority's revenue bonds, the city will transfer the option to buy to the Authority and the Authority will purchase the building with revenue bond proceeds. The Authority will then improve the building and, under terms of the Project Lease dated May 1, 1975, rent the improved building to the city. The city will sublease a portion of the project to the housing authority.

Upon termination of the Agreement, all property of the Authority will automatically vest in the city.

The Project Lease provides that the City of Napa will pay the Authority annually in advance a base rental sufficient to meet the annual revenue bond service requirements coming due on the next succeeding May 1 and November 1 and other obligations of the Authority, if any, upon substantial completion of the project, or on January 1, 1976, whichever is later. The first rental payment will equal one-half the annual base rental. The remaining base rental payments, in an amount sufficient to meet bond service, will be due July 1, beginning July 1, 1976, and payable without penalty on August 15 of each year, until payment (or provision for payment) of all bond principal and interest has been made.

The annual base rental for the project will be established after the interest rates on the bonds have been determined, in an amount sufficient to meet actual bond service.

The City of Napa is required to provide for the operation and maintenance of the project at no expense to the Authority and to pay to the Authority as additional rent the amount necessary to cover taxes and assessments, if any, to pay insurance premiums, to meet the operating expenses of the Authority and to maintain a balance of $2,500 in the Working Capital Fund, to the extent interest earnings and other income of the Authority are insufficient for these purposes.

The Project Lease provides for the maintenance of insurance against loss or damage under an "extended coverage" policy, public liability and property damage policy and such other insurance as may be required by the City of Napa or by the Resolution of Issuance of the Authority. In the event of destruction of all or a part of the project, the Authority may use the insurance proceeds to rebuild the project or, with the consent of the City of Napa, to terminate the lease and redeem the bonds. The proceeds of any award in the event of condemnation will be used to redeem the bonds. Any surplus remaining after redemption of the bonds or reconstruction of the project will be transferred to the City of Napa.

The downtown mall in Napa, a recent redevelopment project in the central business district.

THE BONDS

Authority for Issuance

The $1,150,000 of City-Housing Authority Building Authority 1975 Building Facility Revenue Bonds, currently being offered for sale, are to be issued pursuant to a resolution of the Authority, adopted March 17, 1975.

The Bonds will be issued under provisions of the Government Code (Article 2, Chapter 5, Division 7, Title 1, Section 6540, et seq.) of the State of California.

Sale of the Bonds

Bids will be received by a representative of the governing board of the City-Housing Authority Building Authority at 11:00 A.M., Monday, April 21, 1975 at the office of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California 94111. The bonds will be awarded at a meeting of the governing board of the Authority later in the same day. Details of the terms of the sale are included in the Official Notice Inviting Bids adopted March 17, 1975, a copy of which accompanies this Official Statement.

Description of the Bonds

The $1,150,000 principal amount of City-Housing Authority Building Authority 1975 Building Facility Revenue Bonds, will be dated May 1, 1975, and will be issued in the denomination of $5,000 each in coupon form. The bonds will be numbered 1 through 230 and will be payable annually on November 1 of each year as follows:

Year	Principal Amount	Year	Principal Amount
1977	$ 25,000	1987	$ 55,000
1978	25,000	1988	60,000
1979	30,000	1989	65,000
1980	30,000	1990	70,000
1981	35,000	1991	75,000
1982	35,000	1992	80,000
1983	40,000	1993	85,000
1984	45,000	1994	95,000
1985	45,000	1995	100,000
1986	50,000	1996	105,000

Interest will be payable semiannually on November 1 and May 1 of each year, beginning November 1, 1975. Both principal and interest on the bonds are payable at the principal office of Crocker National Bank, San Francisco, Trustee and Paying Agent for the Authority.

Redemption Provisions

Except as described in a following paragraph, bonds maturing on or before November 1, 1987, a total principal amount of $415,000, are not subject to call or redemption prior to their fixed maturity dates. Bonds maturing on or after November 1, 1988, a total principal amount of $735,000, are subject to call and redemption, at the option of the Authority, as a whole or in part in inverse order of maturity and by lot within a single maturity on November 1, 1987, or on any interest payment date thereafter, upon payment of a redemption price equal to the principal amount plus a premium of one-fourth of one percent for each year or fraction of a year from the redemption date to the maturity date of the bonds.

The maximum premium payable upon call of the bonds for redemption on or after November 1, 1987, would be two and one-quarter percent.

In the event of loss of or substantial damage to or condemnation of the Project which renders it unusable, all or any part of the bonds may be redeemed at any time by payment of the principal amount and accrued interest to the date of redemption plus a premium as set forth above, applied to all outstanding bonds whether otherwise callable or not, but not to exceed two and one-quarter percent.

Notice of Redemption

Notice of redemption is to be published in a financial newspaper or financial journal, published in San Francisco, California. The first publication will be at least 30 days but not more than 60 days prior to the redemption date. The Trustee is required to give written notice to the owners of any registered bonds.

Registration

The bonds will be issued as coupon bonds and will be registrable only as to both principal and interest, with the privilege of discharge from registration and re-registration.

Legal Opinion

All proceedings in connection with the issuance of these bonds are subject to the approval of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, bond counsel for the City-Housing Authority Building Authority.

The unqualified opinion of Orrick, Herrington, Rowley & Sutcliffe, attesting to the validity of the bonds, will be supplied free of charge to the original purchasers of the bonds. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each bond without charge to the successful bidder.

Tax Exempt Status

In the opinion of bond counsel, the interest on the bonds is exempt from income taxes of the United States of America under present federal income tax laws and such interest is also exempt from personal income taxes of the State of California under present state income tax laws.

Purpose of Issue

The proceeds from the sale of the 1975 Building Facility Revenue Bonds will be used to finance acquisition and improvement of a building to be used for city and city housing authority offices, as described in this Official Statement under the heading, "The Project."

Security

Bond principal and interest coming due each year are payable from annual base rental payments by the City of Napa for use of the project. Under the terms of the Project Lease dated May 1, 1975, the city agrees to pay the Authority an annual fixed base rental, which will be sufficient to pay bond principal and interest, plus additional rental in an amount sufficient to meet other necessary expenses of the Authority. The city has agreed to make appropriations in its annual budget for the amount of the base rental and a reasonable estimate of additional rental. The city anticipates meeting its rental payments from general fund revenues. Also, the city will sublease a portion of the project to the city housing authority. The annual rent paid to the city by the housing authority will not be less than 3% nor more than 10% of the base rental amount. This will be applied by the city towards its annual base rental obligation.

Creation of Special Funds

The Resolution of Issuance provides for establishment of special funds, all to be held and administered by the Trustee. These funds, together with their sources and uses, are listed below.

The Trustee

Crocker National Bank, San Francisco, has been appointed Trustee pursuant to the Resolution of Issuance. The Trustee will receive all of the bond

Fund	Principal Source	Use
Acquisition and Construction Fund (Section 3.04)	Bond Proceeds	Acquisition and construction, balance to Reserve Fund, remaining balance to other funds as indicated in Resolution.
Revenue Fund (Section 5.01)	City Rental Payments	Transfers to Interest, Retirement and other required funds.
Interest Fund (Section 5.02)	Bond Proceeds, Transfers from Revenue Fund	Bond interest.
Retirement Fund (Section 5.02)	Transfers from Revenue Fund	Bond principal.
Reserve Fund (Sections 3.02 and 5.02)	Bond Proceeds and Revenue Fund	Bond principal and interest.
Working Capital Fund (Section 5.02)	Bond Proceeds, Revenue Fund and Additional Rent	Authority's administrative and miscellaneous expense.
Surplus Revenue Fund (Section 5.02)	City Rental Payments	Uses indicated in Resolution
Insurance Proceeds Fund (Section 5.02)	Insurance Proceeds	Rebuild project or deposited in Revenue Fund

proceeds and will disburse bond moneys in conformity with the Resolution. In addition to holding and administering the various funds of the Authority, the Trustee will invest funds held in trust and will be the recipient of all revenues of the Authority. The Trustee will also act as paying agent of the Authority, paying bond interest and principal. The Trustee will act as bond registrar and will authenticate all registered bonds.

Eligibility as Security for Public Funds

In the opinion of bond counsel the bonds are eligible to secure deposits of public funds in banks in the State of California.

Eligibility for National Banks

A request has been made to the Controller of the Currency for a ruling that the bonds of the Authority are eligible for purchase, dealing in, underwriting and unlimited holding by national banks. An answer is expected prior to the date of sale of the bonds.

Disposition of Bond Proceeds

The Resolution of Issuance provides that the proceeds from the sale of the bonds shall be deposited with the Trustee. The Trustee will then place the premium and accrued interest (if any) in the Interest Fund and the balance of the proceeds in the following funds:

1. To the Interest Fund a sum which, together with any premium and accrued interest, will equal the first twelve months' interest on the bonds.
2. To the Reserve Fund an amount equal to one-half the maximum annual debt service.
3. To the Working Capital Fund an amount of $2,500 which is to be maintained as working capital.
4. To the Acquisition and Construction Fund the balance.

Deposit and Application of Revenues

All revenues of the Authority as defined in the Resolution are pledged to the punctual payment of the bond principal and interest. All revenues will be immediately deposited with the Trustee who shall credit the moneys to the Revenue Fund. All moneys in the Revenue Fund are to be set aside and deposited in special funds in the following order of priority and to be withdrawn from the special funds only for the purposes set forth.

1. **Interest Fund**—On or before February 15, 1976, the Trustee will deposit a sum sufficient, together with the balance then on hand, to pay the six months' interest becoming due on the next November 1, and thereafter on November 15 of each year, the Trustee shall deposit in such fund a sum, sufficient, together with the balance then on hand, to pay the 12 months' interest coming due on the Bonds on the next May 1 and November 1.

2. **Retirement Fund**—On or before November 15 of each year while any of the bonds are outstanding, beginning November 15, 1976, the Trustee will deposit an amount equal to the aggregate amount of principal due and payable on the outstanding bonds on November 1 of the following calendar year. Moneys in this fund are to be used solely for the purpose of paying the principal of the bonds.

3. **Reserve Fund**—Under terms of the Resolution, a bond reserve fund equal to one-half maximum annual bond service will be created from the proceeds of the sale of the bonds and held by the Trustee. The fund can be used solely to pay bond principal and interest in the event no other funds are available and must be replenished if used; provided, however, that it may be applied toward the retirement of the last outstanding bonds of the issue. Money in the fund may be invested in authorized investments or may be deposited in interest-bearing accounts. Interest obtained by investment or deposit of moneys in the Reserve Fund shall be transferred to the Acquisition and Construction Fund while the project is being completed.

An additional reserve equal at all times to more than one-half the annual bond service is created by the timing of the rental payments to become due after completion of the project. Rental revenues will be received approximately 5½ months prior to the first interest payment date and 11½ months prior to the time they will be required to meet the payment of principal and the second interest payment in each year. Accordingly the balance in either the Revenue Fund or in the Interest and Retirement Funds together with the balance in the Reserve Fund will at all times exceed maximum annual bond service.

4. **Working Capital Fund**—A sum of $2,500 will be initially deposited into the fund and at least this amount must be maintained as unencumbered working capital. Moneys in this fund are to be disbursed by the Trustee for payment of such items as taxes or assessments, if any, levied upon the Project, administrative costs of the Authority, Trustee's fees, and insurance premiums. It is anticipated that revenues from investment of the Reserve Fund will provide some portion of moneys for these purposes. If additional funds are required, the Trustee is required to bill the city for additional rental which the city is obligated to pay under the terms of the Project Lease.

5. **Surplus Revenue Fund**—Any moneys in the Revenue Fund on November 16 of each year, on and after November 16, 1976, provided that the moneys are not required for the above purposes or to meet future debt service requirements, may be used, at the discretion of the Authority, for additions or improvements to the project, for purchase or redemption of bonds, or to reimburse the city for base rental and additional rental previously paid.

Additional Bonds

Section 6.15 of the Resolution of Issuance provides that no additional indebtedness with a priority over the bonds currently being offered may be issued. Additional bonds may be issued on a parity with these bonds subject to the following conditions, as specified by Section 3.05 of the Resolution.

1. The additional bonds must be for the purpose of financing completion of the Project or an addition to the Project and must be declared by a supplemental resolution to be necessary.
2. The Authority must be in compliance with all covenants of the Resolution of Issuance.
3. The additional bonds must be equally and ratably secured.
4. The additional bonds must be serial bonds payable as to principal on November 1, with interest payable on May 1 and November 1 of each year. The additional bonds may not be subject to redemption prior to November 1, 1987, except in the event of condemnation of or damage to the Project.
5. The Authority must enter into a revised lease with the City of Napa or the Housing Authority or both in which the City or the Housing Authority or both obligates itself to increase the base rental and additional rental under the lease in amounts sufficient to provide for the payment of the principal of and interest on all outstanding bonds and the additional bonds when due and to make all other necessary payments.
6. Provision must be made to increase the Reserve Fund to an amount equal to at least one-half maximum annual bond service on all bonds and additional bonds to be outstanding in any one year thereafter.

Insurance Provisions

The Authority covenants in the Resolution to maintain or cause to be maintained insurance coverage, if such insurance is available on the open market from reputable insurance companies, as follows:

1. Against loss or damage to the property resulting from fire, lightning, and other perils defined as extended coverage in amounts, if available, not less than the full insurable value of the properties as defined in the Resolution or the amount of the Authority's outstanding bonds, whichever is less, subject to deductible conditions of not to exceed $10,000 for any one loss.
2. Against earthquakes only if such insurance is available on the open market from reputable insurance companies or from any governmental agency satisfactory to the Trustee, either in an amount not less than the full insurable value of the properties, and a deductible amount of not more than 10 percent of the face value of the insurance for any one loss or in the amount of the Authority's outstanding bonds, whichever is less; and
3. Against war risks, as and when obtainable from the United States of America or any agency thereof, in an amount not less than 80 percent of the full insurable value; and
4. To maintain or cause to be maintained use and occupancy or rental income insurance against all of the above perils in an amount of not less than two years' rental.
5. To maintain or cause to be maintained public liability insurance of not less than $250,000

per person and $1,000,000 per any one accident and property damage insurance of at least $50,000.

6. Workmen's compensation for all persons employed in connection with the Project.
7. A policy of title insurance with lender's leasehold endorsement insuring the validity of the lease will be obtained prior to the delivery of the bonds.

If the Project is condemned, or if it is destroyed and the Authority is unable to rebuild it within the period for which rental interruption insurance is provided, the proceeds of the condemnation award or insurance proceeds are to be used for the redemption of the bonds prior to maturity.

If the Project can be rebuilt within the time for which rental interruption insurance is available, then the Authority must rebuild unless the city agrees instead to use the insurance proceeds for redemption of bonds prior to maturity.

Investment of Funds

The Trustee will keep the funds of the Authority invested or on deposit. All such investments must mature prior to the time the funds will be required.

Additional Covenants

The Resolution contains other covenants, including but not limited to the following, by which the Authority agrees:

1. To punctually pay the principal and interest on the bonds as they become due.
2. Not to mortgage, encumber, sell, lease, place a charge on, or otherwise dispose of the Project or the revenues therefrom and not to enter any agreement which impairs the operation of the Project or otherwise impairs the rights of the bondholders with respect to the revenues or operation without making adequate provision to protect the rights of bondholders.
3. To construct and complete the Project in conformity with the construction contract (under the sublease the Authority agrees to require 100% performance bond and 50% labor and materialmen's bond of the contractor).
4. To pay, discharge, or contest any taxes, assessments or other governmental charges upon the Project or the revenues which might impair the security of the bonds.
5. To keep proper books of records and accounts and to file with the Trustee annually, within 120 days after the end of each fiscal year, detailed independent certified audits covering the operation of the Authority, showing revenues, expenses, insurance in force, and the status of each fund.
6. To maintain or cause to be maintained and to keep in good repair the Project and all buildings and equipment.
7. If for any reason the Authority should operate the Project, to fix, prescribe and collect charges which will be sufficient with all other income of the Authority to pay the principal of and interest on the bonds as they become due and to pay for all expenses of operation, maintenance and repair of the Project and to maintain the special funds provided for in the Resolution.
8. To comply with the requirements of section 103(d), Internal Revenue Code of 1954, as amended.

Environmental Impact

In compliance with the California Environmental Quality Act (Public Resources Code Section 21000 and following) and in conformity with existing local regulations, the project has been evaluated and the Notice of Determination was filed March 3, 1975.

Estimated Annual Bond Service

Table 1 on Page 9 shows estimated annual bond service on the 1975 Building Facility Revenue Bonds.

Table 1

CITY-HOUSING AUTHORITY BUILDING AUTHORITY

1975 Building Facility Revenue Bonds

Estimated Annual Bond Service

Year Ending November 1	Bonds Outstanding	Interest Estimated at 7½%	Principal Maturing November 1	Total Bond Service
1975	$1,150,000	$ 43,125	$ —	$ 43,125
1976	1,150,000	86,250	—	86,250
1977	1,150,000	86,250	25,000	111,250
1978	1,125,000	84,375	25,000	109,375
1979	1,100,000	82,500	30,000	112,500
1980	1,070,000	80,250	30,000	110,250
1981	1,040,000	78,000	35,000	113,000
1982	1,005,000	75,375	35,000	110,375
1983	970,000	72,750	40,000	112,750
1984	930,000	69,750	45,000	114,750
1985	885,000	66,375	45,000	111,375
1986	840,000	63,000	50,000	113,000
1987	790,000	59,250	55,000	114,250
1988	735,000	55,125	60,000*	115,125
1989	675,000	50,625	65,000*	115,625
1990	610,000	45,750	70,000*	115,750
1991	540,000	40,500	75,000*	115,500
1992	465,000	34,875	80,000*	114,875
1993	385,000	28,875	85,000*	113,875
1994	300,000	22,500	95,000*	117,500
1995	205,000	15,375	100,000*	115,375
1996	105,000	7,875	105,000*	112,875
Total		$1,248,750	$1,150,000	$2,398,750

*Callable on or after November 1, 1987.

THE PROJECT

Project Description

The bonds currently being offered for sale will be used to finance acquisition and remodeling of an existing building located on First Street in downtown Napa. The building, a vacant former supermarket, is located within a block of the Napa City Hall, and will be remodeled by addition of partitions and other necessary alterations to provide an additional 17,000 square feet of office space for city departments and the city housing authority.

The city housing authority and city redevelopment agency, planning, building and public works departments will have office space in the facility. The project will allow moving some employees from the crowded city hall offices and others from temporary offices in the civic center area.

The project also includes an acquisition of an existing adjacent parking lot and construction of necessary exterior lighting, landscaping and other site improvements.

Construction is expected to take six months, with completion in November 1975.

Contractor's Obligations

The contractor has 180 calendar days from notice to proceed to complete the project. To assure completion, the contractor is required to post 100 percent faithful performance and 50 percent labor and materialmen's bonds.

If the contractor fails to complete the project on schedule, he will be subject to liquidated damages of $100 per day which may be deducted from moneys due the contractor.

Estimated Project Costs

Table 2 presents a summary of estimated project costs, based on the successful construction bid received on March 13, 1975, together with estimated incidental costs. The successful bidder was Carl Recknagel General Contractors, Inc., Vallejo, California.

The purchase price of the existing building has been negotiated with Safeway Stores, Incorporated, the present owner.

Incidental costs include interest during construction for a period of twelve months. Interest will, therefore, be funded for a period of approximately six months beyond the scheduled completion date.

Table 2

CITY-HOUSING AUTHORITY

BUILDING AUTHORITY

Estimated Project Costs

Acquisition	$ 438,600
Construction	464,400
Architect Fees	37,200
Furnishings	10,000
Contingencies and Incidentals	37,300
Subtotal	$ 987,500
Interest During Construction (12 months)	86,250
Reserve Fund	58,750
Working Capital	2,500
Financing Incidentals	30,000
Total	$1,165,000
Less: Interest Earnings During Construction	15,000
Amount of Bond Issue	$1,150,000

FINANCIAL DATA

Assessed Valuations

The City of Napa uses the facilities of Napa County for the assessment and collection of taxes for municipal purposes. City taxes are assessed and collected at the same times and on the same tax rolls as are county, school and special district taxes. Taxes are payable in two installments on November 1 and February 1 and become delinquent December 10 and April 10.

The State Board of Equalization reports 1974/75 Napa County valuations average 26.3 percent of full value, except for public utility property, which is assessed by the state at 25 percent of full value.

Under provisions of the State Constitution and legislation adopted in 1968, two additional types of exemptions were authorized beginning in the tax year 1969/70. The first of these exempts 50 percent of the assessed valuation of business inventories from taxation. The second provides for exemption of $1,750 of the assessed valuation of an owner-occupied dwelling for which application has been made to the County Assessor.

Revenue estimated to be lost to local taxing agencies due to such exemptions is reimbursed from state sources. The reimbursement is based upon total taxes due upon these exempt values and therefore is not reduced by any amount for estimated delinquencies.

Following is the 1974/75 assessed valuation of the City of Napa as reported by the Napa County Assessor, before provision for the two exemptions described above.

CITY OF NAPA

Assessed Valuations 1974/75*

Secured roll	$103,116,500
Unsecured roll	5,745,794
Utility roll	5,691,780
Total	$114,554,074

*Includes state reimbursable business inventory exemptions, $2,910,064; homeowners exemptions, $16,231,114.

The growth in the city's assessed valuation for the past six years, before deduction of the State-reimbursed exemptions, is presented below.

CITY OF NAPA

Growth in Assessed Valuation

Fiscal Year	Assessed Valuation
1969/70	$ 60,475,860
1970/71	66,997,770
1971/72	83,801,047*
1972/73	92,205,127
1973/74	107,089,284
1974/75	114,554,074

*Increase due partly to action by County Assessor to raise assessments from 22.5% to 25% of market value as, directed by the State.

Tax Levies and Delinquencies

The tabulation in the next column summarizes the secured taxes levied by the city and the amounts and percentages delinquent as of June 30 for the five fiscal years 1969/70 through 1973/74.

CITY OF NAPA

Secured Tax Levies and Delinquencies

Fiscal Year	Secured Tax Levy	Delinquent as of June 30	
		Amount	Percent
1969/70	$ 955,478	$23,808	2.49%
1970/71	1,240,474	29,369	2.37
1971/72	1,307,659	42,156	3.22
1972/73	1,427,220	19,790	1.39
1973/74	1,517,799	33,202	2.19

Tax Rates

For the past seven years, the city tax rate has been $1.77 per $100 assessed valuation.

Code Area 2000 (1974/75 assessed valuation $34,357,715) is the largest in the city. A record of all tax rates in this code area for the past five years is shown at the bottom of the page.

Under Section 5380 of the Streets and Highways Code, the city imposes a special assessment tax upon real property in two maintenance districts—River Park Estates Maintenance District (rate $.75) and Lake Park Maintenance District (rate $.15). These maintenance districts have been assigned a separate code area number.

CITY OF NAPA

Tax Code Area 2000

Tax Rates Per $100 Assessed Valuation

Agency	1970/71	1971/72	1972/73	1973/74	1974/75
County	$ 2.89	$ 2.84	$ 2.36	$ 2.22	$ 2.30
City	1.77	1.77	1.77	1.77	1.77
Education	6.46	6.19	6.39	5.79	5.76
Other	.61	.52	.62	.66	.41
Base rate	$11.73	$11.32	$11.14	$10.44	$10.24
Sanitation districts①	.86	.85	.84	.82	.79
Conservation district②	—	—	—	—	.01

① Tax on land and improvements only.

② Tax on land only.

Revenues and Expenditures and Fund Balances

A summary of the city's General Fund revenues and expenditures from 1969/70 to 1973/74, inclusive, appears in Table 3 below.

The city's fund balances as of June 30, 1974 totaled $1,973,010.

Table 3

CITY OF NAPA

General Fund Revenues and Expenditures

	1969/70	1970/71	1971/72	1972/73	1973/74
REVENUES					
Property taxes	$ 991,737	$1,063,183	$1,220,317	$1,483,046	$1,464,751
Sales taxes	744,388	764,691	857,706	963,262	1,114,288
Other taxes	217,010	295,600	318,548	331,748	306,693
Licenses and permits	67,201	107,690	139,267	161,251	110,640
Fines and penalties	103,926	97,131	94,530	182,244	223,239
Use of money and property	107,057	92,917	60,809	78,529	133,240
From other agencies	769,608	853,590	1,156,996	829,935	1,806,435
Service charges	448,272	405,889	462,356	418,098	440,416
Other revenue	385,422	408,906	400,372	157,837	526,809
Total Revenues	$3,834,621	$4,089,597	$4,710,901	$4,605,950	$6,126,511
EXPENDITURES					
General government	$ 897,941	$ 915,767	$1,098,326	$1,135,375	$1,286,881
Public safety	1,316,298	1,492,854	1,810,657	1,854,132	2,355,519
Public works	990,216	1,018,006	958,048	1,056,973	1,400,679
Health services	11,700	—	—	4,200	—
Parks and recreation	321,121	392,216	369,697	455,268	526,083
Contributions to other governmental units	—	—	—	—	131,674①
Total Expenditures	$3,537,276	$3,818,843	$4,236,728	$4,505,948	$5,700,836
CAPITAL OUTLAYS②	$ 54,657	$ 95,590	$ 91,039	$ 228,021	$ 376,617

① Contributions to Central Garage Fund and Recreation Fund.

② Included in expenditures.

Direct and Overlapping Bonded Debt

A statement of the city's direct and estimated overlapping debt as of the sale date of the bonds currently being offered, is shown in Table 4.

Table 4
CITY OF NAPA
Statement of Direct and Estimated Overlapping Bonded Debt

Population (1974)	45,450
1974/75 Assessed Valuation	$114,554,074
Estimated Market Value	$443,306,000①

	Percent Applicable	Debt Applicable April 21, 1975②
DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT:		
Napa County	35.776%	$ 1,008,883
Napa Sanitation District	86.263	5,313,801
Napa Community College District	34.422	586,234
Napa Valley Unified School District	52.692	2,900,695
Napa Union High School District (1953 and Subsequent Issues)	57.938-53.021	901,055
Napa School District	91.796	585,658
Browns Valley School District	61.578	51,726
Carneros-Los Amigos Unified School District	5.829	699
Mt. George Unified School District	3.016	3,770
Salvador Unified School District	64.939	227,936
Shurtleff School District	28.188	16,063
City of Napa②	100.	6,800,000
Congress Valley Water District	.643	96
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		$18,396,616
Less: City water bonds (100% self-supporting)		6,130,000
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT		$12,266,616③

	Ratio to 1974/75 Assessed Valuation	Ratio to Estimated Market Value	Per Capita
Gross Direct Debt	5.94%	1.54%	$150
Net Direct Debt	.58	.15	15
Gross Direct and Overlapping Debt	16.05	4.15	405
Net Direct and Overlapping Debt	10.71	2.77	277

① The State Board of Equalization reports that 1974/75 Napa County assessed valuations average 26.3% of full value, with public utility property assessed at approximately 25% of full value.

② Excludes bonds sales, if any, between March 17 and April 1, 1975.

③ Excludes $395,000 Napa Parking Authority Bonds, $21,948 City of Napa 1915 Act bonds, revenue bonds, and $1,150,000 Authority revenue bonds currently being offered for sale.

THE CITY

Geography

The City of Napa is located 50 miles northeast of San Francisco and 60 miles west of Sacramento at the southern approaches to the famed Napa Valley. It is a progressive industrial, commercial and government center in a rapidly growing area. The city encompasses 15.2 square miles in south central Napa County, having annexed approximately three square miles in the past four years.

As county seat and the largest city in the county, Napa contains many government offices. A number of major State and Federal facilities are located in or near the city. Manufacturing is diversified, including such products as steel pipe, apparel, building materials, electronic components, wine-making, and leather products. The area is rich in agricultural resources. Napa has long, dry summers and mild winters with mean temperatures of 47.6 degrees in January and 67.2 degrees in July.

Planned industrial and residential development in Napa County has been concentrated in the City of Napa and its immediate environs. It is expected that this will continue because of favorable terrain characteristics and Napa's accessibility to the San Francisco-Oakland area.

Population

The city's population increased more than 2½ times between 1950 and 1970. From 29 percent of the county's population in 1950, Napa's share increased to over 45 percent in the same 20-year period. The State Department of Finance estimated the city's January 1974 population at 45,450. The tabulation following presents the city's population growth and its relation to county population.

CITY OF NAPA

Population Statistics

	City of Napa	County of Napa
1950①	13,579	46,603
1960①	22,170	65,890
1970①	36,786	79,140
1974②	45,450	87,100

① Federal Census.

② State Department of Finance.

Housing Characteristics

As reported by the 1970 Federal Census, the majority of dwelling units in Napa were owner occupied and 67 percent of these were valued at $15,000 or more, with a median value of $20,900. Median rent in the city was reported to be $114 per month per unit.

City Government

Napa celebrated its centennial as a city in 1972, having incorporated March 23, 1872. It became a charter city in 1915 and has operated under the council-manager plan since 1949. The City Council consists of five members elected at large for alternating four-year terms. The mayor is elected by vote of the people every four years. The city manager, city clerk, city treasurer, and city attorney are appointed by the council and serve at its pleasure. All other city employees are appointed by and are responsible to the city manager under a city personnel board established by charter amendment in 1964. The present city manager, Mr. Lee M. Roberts, has been with the city since 1953. The city provides a broad range of municipal services and employs about 330 persons. Napa has a Class III fire rating, as determined by the Pacific Fire Rating Bureau.

The City Hall, constructed in 1951 and paid for solely from sales tax receipts, forms the nucleus of a Civic Center designed for a planning period of 25 years and a city population of 75,000, with a site of sufficient size for substantial expansion. The bonds currently offered for sale will provide additional city office space, as discussed previously in "The Project" section of this official statement.

Utilities

Pacific Gas and Electric Company supplies natural gas and electric services to the City of Napa and its environs.

Pacific Telephone and Telegraph Company maintains its northern division headquarters for sixteen counties in Napa. The company's central office, business office, district and division sections are located in the city.

Sewerage service for the City of Napa and surrounding territory is provided by the Napa Sanitation District. Water service is provided by the city.

Building Activity

Paralleling population and commercial growth in the city, building activity has increased steadily. More than $87.5 million of building permits have been issued by the city's Building Department since 1970.

The Silverado Country Club, now owned by Amfac Inc. of Honolulu, is the largest private development in the vicinity of Napa. The multi-million dollar planned community covers approximately 1,200 acres about two miles from the city boundary and contains 1,300 dwelling units and attendant facilities including a hotel-convention center and a shopping center. Silverado has two championship 18-hole golf courses, four swimming pools, and eight tennis courts.

Building permit valuations and number of new dwelling units constructed since 1970 are shown in the tabulation below.

CITY OF NAPA

Building Permit Valuations

Year	Dwelling Units	Valuation
1970	690	$11,699,000
1971	1,056	17,204,000
1972	918	23,415,000
1973	538	21,133,000
1974	334	14,114,000

Golf course at Silverado Country Club, a 1200-acre planned community being developed by Amfac, Inc. in the Napa area.

Employment and Industry

Napa is located in a labor market area consisting of Napa and Solano counties, as classified by the State Employment Development Department. Estimated area population is approximately 270,000. As of October 1974 total civilian employment in this labor community was 85,000. The tabulation to the right presents an analysis of employment by industrial category as reported by state labor analysts. Government, services, and trade are the leading sources of job opportunities, between them accounting for 70 percent of total civilian employment.

Major industry in Napa County is located in the City of Napa or its immediate vicinity. Napa is the home of Kaiser Steel Corporation's pipe plant, Basalt Rock Company, Rough Rider, Inc., the Christian Brothers Winery and Sawyer Tanning Company. The Napa plant of the Kaiser Steel Corporation is located on a 105-acre site on the Napa River, immediately south of the city limits. The plant specializes in line pipe production, general steel fabrication, and heavy industrial welding. Kaiser employs 625 persons and the annual payroll is approximately $13 million.

NAPA LABOR MARKET AREA
EMPLOYMENT BY CATEGORY*

	October 1973	October 1974
Construction	3,300	3,000
Manufacturing	8,800	9,300
Transportation, Communication, Utilities	4,100	4,200
Trade	14,100	14,200
Finance, Insurance, Real Estate	2,100	2,100
Services	13,200	13,300
Government	29,600	32,100
Agriculture	6,400	6,800
Total	81,600	85,000

*Source: State Employment Development Department.

Kaiser Steel Corporation's plant, located adjacent to the City of Napa's south city limit.

In addition, a number of small diversified industries including food processing and machinery manufacturing are located in the city. Carefully zoned industrial sites are available close to the navigable Napa River, rail facilities, and the Napa County Airport.

There are 371 acres in the city limits zoned for various types of industry. About 40 percent is vacant and available at prices ranging from $10,000 to $35,000 per acre. In addition, there are several thousand acres of undeveloped land south of Napa zoned for industry and protected from intrusion by residential or commercial developments.

Basalt Rock Company, Inc., one of the leading manufacturers of crushed rock, structural concrete, and lightweight aggregate products in the United States, started in Napa in 1925. The Basalt Rock Company has seven plants occupying 750 acres in the Napa area, employs approximately 450 persons, and has an annual payroll of almost $6 million.

Rough Rider, Inc., a leading producer in the clothing field, has been located in the City of Napa since 1936. The company, with 500 employees in Napa and an annual payroll of $4 million, markets its clothing throughout the western states and Hawaii. It operates two plants in Napa.

The Christian Brothers Winery employs 200 persons and has an annual payroll of $1,550,000. It is the largest employer among Napa County wineries.

Napa is a center for the tanning and processing of leathers and manufacture of fine leather goods. The Sawyer Tanning Company employs 150 persons and has an annual payroll of $750,000. The Calnap Tanning Company has been a major producer of fine leathers in Napa since 1947. It processes approximately 90,000 cattle hides annually and employs 70 persons. Annual payroll is approximately $750,000.

Leslie Salt Company operates a system of evaporating ponds on 6,900 acres about eight miles from the city. The company produces approximately 150,000 tons of salt annually which are shipped in crude form for chemical production.

The Veterans Home of California, located approximately nine miles north of Napa, is the largest state-owned and operated veterans home in the United States. It has quarters for 2,441 veterans including a 450-bed general hospital. There are approximately 1,700 veterans resident at the home. The Veterans Home employs 755 persons and has an annual payroll of $5,905,500.

The Napa State Hospital, established in 1872, is located just outside the city limits. The institution has 4,699 beds and currently cares for approximately 3,900 patients. Since World War II the state has expended approximately $12,500,000 for expansion and modernization of the hospital's facilities. The hospital staff numbers 1,900 persons, including a medical staff of 75 and 130 registered nurses. The hospital payroll is approximately $18,897,000 annually.

Pacific Gas & Electric Co. and Pacific Telephone and Telegraph Co. employ more than 600 persons between them in the Napa area, and have a combined estimated payroll of $6 million.

Napa State Hospital.

Mare Island Naval Shipyard

Mare Island, a 980-acre military/industrial site located 12 miles south of Napa, includes shops, piers, ways, barracks and other military support facilities. It is one of the largest shipbuilding and repairing facilities of its kind in the nation and is capable of designing and manufacturing most articles used in ships. The shipyard was the first west coast facility to build nuclear submarines, and provides continuing support to these vessels as well as other types of naval ships.

Mare Island's regular complement is approximately 3,000 military personnel, including 2,700 officers and men in training at the Naval Schools Command facilities, Nuclear Power School and other permanent Tenant Commands. There are over 9,200 civilians employed at the facility, with a gross annual payroll of $120 million. It is estimated that more than 2,000 persons of this total civilian complement reside in the Napa area, and collect annual wages exceeding $27 million.

The closing down of the Naval Shipyard at San Francisco has resulted in increased employment at Mare Island. A similar effect has been noted at Travis Air Force Base, Solano County, which has absorbed persons transferred from Hamilton Air Force Base, Marin County.

Employers in the City of Napa and immediate vicinity with more than 50 employees are shown in the following tabulation.

MAJOR EMPLOYERS
CITY OF NAPA AND VICINITY

Employer	Nature of Business	Number of Employees	Estimated Annual Payroll
Napa State Hospital	Mental hospital	1,900	$18,897,000
Napa Valley Unified School District	Elementary, high schools	1,450	11,000,000
Veterans Home of California	Veterans home	755	5,905,500
Kaiser Steel Corporation	Steel pipe, tanks	625	13,000,000
Rough Rider, Inc.	Sportswear	500	4,000,000
Napa County	County offices	500	N.A.
Pacific Telephone & Telegraph Co.	Utility	491	4,687,563
Basalt Rock Company, Inc.	Building materials	449	5,987,407
Queen of the Valley Hospital	General hospital	444	3,153,000
Pacific Union College	Private college	416	2,909,000
St. Helena Hospital and Health Center	Hospital	350	1,546,000
City of Napa	City offices	330	3,300,000
Christian Brothers Winery	Winery	200	1,550,000
Sawyer Tanning Co.	Leather products	150	750,000
Silverado Country Club	Private club	150	557,520
U. S. Postal Service	U. S. mail	150	1,490,900
Napa Community College	College	150	1,731,760
Beringer-Los Hermanos Vineyards	Winery	100	780,000
Charles Krug Winery	Winery	100	N.A.
Pacific Gas & Electric Co.	Utility	96	1,200,000
Berglund, Inc.	Heavy equipment	90	1,000,000
Louis M. Martini Winery	Winery	75	500,000
Napa Register	Daily newspaper	73	620,000
IASCO	Aircraft maintenance	70	950,000
Calnap Tannery	Leather products	70	750,000
Stornetta's Dairy	Dairy products	62	1,000,000
Sunsweet Growers	Food packers	60	250,000
Inglenook Vineyard Co.	Winery	50	400,000

Agriculture and Viticulture

Gross value of agricultural production in Napa County in 1973 (latest available) was a record $62,926,700. Farm products exceeding $1 million in gross value included grapes, beef, feeders (value of weight gain), veal, milk, and eggs.

Cultivation of wine grapes is the leading agricultural industry in Napa County. In 1973 gross income from this crop was more than half the total gross value of farm products. Over 600 additional acres of wine grapes came into production during the year.

The county's vineyards produced 55,659 tons of grapes in 1973, valued at $33,916,000. The excellence of Napa Valley wines is acknowledged throughout the world. There are sufficient variations of soils and growing conditions in the area to make it suitable for the cultivation of a large number of wine grape varieties. Valley vintners specialize in high quality table wines and champagnes. Some vintners in the Valley produce only estate-bottled varietal wines, i.e., wines produced from grapes grown at the winery. The wineries of Napa Valley employ about 450 persons and have an annual payroll of approximately $3 million.

In 1858 Charles Krug produced the first wine in Napa County. He built a winery bearing his name in 1861, pioneering the industry in Napa Valley. Other famous wine producers dating from this period are Beringer Bros. (1876), Inglenook (1879), and Freemark Abbey (1895). Beaulieu Vineyard was founded in 1900 and Louis M. Martini in 1923. All are operating under the original names although there have been changes in ownership in some cases. There are some 30 bonded wineries in the Valley, including the following:

Cuvaison Inc.	Sutter Home Winery Inc.
Schramsberg Vineyards	United Vintners Inc.
Sterling Vineyards	Beaulieu Vineyard
Hanns Kornell	Inglenook Vineyard Co.
Beringer Los Hermanos	Robert Mondavi Winery
Chappallet Vineyard	Mayacamas Vineyards
Charles Krug Winery	Oakville Vineyards
Christian Brothers Winery	Napa Valley Cooperative
Freemark Abbey Winery	St. Helena Cooperative
J. E. Heitz	Souverain Cellars, Inc.
Louis M. Martini	Mont La Salle Vineyards

Farms in Napa County are, on the average, smaller, more expensive per acre, and better equipped than most in California or the nation. The value and diversity of farm production during the past five years is shown in the tabulation at the top of page 21.

The Christian Brothers winery and novitiate in the City of Napa.

NAPA COUNTY AGRICULTURAL PRODUCTION

	1969	1970	1971	1972	1973
Fruits and nuts	$ 9,535,700	$ 8,246,500	$17,579,900	$20,109,200	$34,652,400
Field and truck crops	2,012,100	1,919,600	1,817,400	1,967,900	2,951,800
Animal products	14,360,330	15,077,650	13,862,480	15,612,360	25,322,500
Total	$25,908,130	$25,243,750	$33,259,780	$37,689,460	$62,926,700

In recent years large national corporate interests have acquired Napa County vineyards and wineries. Heublein Incorporated purchased United Vintners, Beaulieu Vineyard and Inglenook Vineyard Co., firms long-identified with wine making in the county. The Nestle Company acquired Beringer Bros., and operates the vineyard and winery as part of its Premium Wine Co. organization. For some years the Charles Krug Winery has been under the control of C. Mondavi & Sons. Sicks' Rainier Brewing Co. of Seattle owns a major interest in the Robert Mondavi Winery.

Sterling International, an English concern, has built a $2.75 million vineyard and winery complex in the Napa Valley, with initial marketing of fine varietal wines under the Sterling label in 1973. Sterling owns some 600 acres in the Valley and has planted extensive wine grape acreage. Most of their vineyards represent new acreage with oldest plantings now about six years old.

National trends in wine consumption patterns favor Napa Valley wines. The long-range outlook is for continued growth in the sales of medium and high priced wines. Sales of quality wines have almost doubled over the past ten years in the United States. As the recognized center of fine wine production in California, the Napa Valley has a bright economic future. Much of the wine country is protected against non-agricultural development by action of the County Board of Supervisors, who have declared it an Agricultural Preserve under state laws.

Banking

Financial services are provided the city by: The Bank of America (two branches), Crocker National Bank, Security Pacific National Bank, Wells Fargo Bank (two branches), United California Bank, Napa Valley Bank, and Redwood Bank.

There are four savings and loan associations in Napa: Gibraltar Savings and Loan, Golden West Savings and Loan, Imperial Savings and Loan Association of the North, and Napa Federal Savings and Loan.

Commercial Activity

Napa serves as the commercial center for a trading area of more than 75,000 persons. Based on reports by the State Board of Equalization, taxable retail sales within the city limits represent about 70 percent of total county taxable retail sales.

The tabulations below and on the next page summarize the growth in taxable transactions since 1969, with a detailed breakdown of the 1973 activities as reported by the State Board of Equalization.

CITY OF NAPA

Taxable Transactions

Year	Outlets July 1	Taxable Transactions
1969	806	$ 79,120,000
1970	828	80,386,000
1971	834	89,449,000
1972	912	98,908,000
1973	952	112,891,000
1974 (9 months)	971	89,708,000

CITY OF NAPA

Taxable Sales Transactions 1973

Type of Outlet	No. Permits	Taxable Transactions
Apparel	32	$ 5,050,000
General merchandise	16	18,124,000
Drug stores①	12	4,081,000
Food stores①	37	10,927,000
Packaged liquor	8	1,965,000
Eating and drinking places	81	9,709,000
Home furnishings, appliances	35	3,764,000
Building materials, implements	28	7,224,000
Auto dealers, service stations②	97	31,894,000
Other retail	88	10,029,000
Total retail	434	$102,767,000
All other outlets	491	10,124,000
Total outlets	925	$112,891,000

① Certain items are not taxable.

② Sales of gasoline for highway use became taxable July 1, 1972.

Transportation

Napa is served by various transportation facilities including an excellent network of state and county roads, trucks, bus, and railroad facilities, a navigable river, and an airport.

The city is located on State Highways 12, 29, and 121. Interstate 80 is about twelve miles east of Napa and U. S. Highway 101 approximately 25 miles west. State Highway 29 has been converted to a four-lane freeway through the western part of the city and an interchange leading into downtown Napa has been built.

Local bus service is provided by Holmes Bus Service. Greyhound Bus Lines schedules daily service to regional connection points.

Napa is served daily by eight I.C.C. approved regularly scheduled truck lines and approximately 100 contract carriers. The Southern Pacific Railroad moves more than 10,000 carloads of freight in and out of the Napa area annually. Rail service is routed from the Napa Valley spur through Napa Junction to Fairfield on the Southern Pacific main line.

The Napa River is navigable up to the Third Street Bridge within the Napa city limits. The Army Corps of Engineers maintains the channel to permit barge and tug traffic at low tide.

The Napa County Airport is located four miles south of the city on a 724-acre site. A $485,000 airways control tower was completed in 1965. This structure houses both local airport control and air traffic control for aircraft entering the high density area around San Francisco. The airport is primarily used for private and executive aircraft with charter service available. The airport is also the home of Japan Airlines' basic pilot training school. The county is presently undertaking an expansion of the airport to provide longer runways and additional approach clearance.

The city is served by STOL Air Commuter Airlines of San Francisco, which lands at Napa Airport for ticketed passengers.

Education

The Napa Valley Unified School District operates 25 elementary schools, three junior high schools and two senior high schools. The unified district was created in 1965 and absorbed several elementary school districts and Napa High School District. There are six parochial schools in the city.

Public school fall-term enrollment figures since 1970 are shown in the following table. Enrollment in parochial schools is approximately 1,500.

NAPA VALLEY UNIFIED SCHOOL DISTRICT

Year	Elementary	High School	Total
1970	8,416	6,811	15,227
1971	8,399	7,044	15,443
1972	8,248	7,224	15,472
1973	8,061	7,378	15,439
1974	7,834	7,368	15,202

The Napa Community College District was created in 1964. Napa College is located at a new $3,500,000 campus adjacent to the site of the John F. Kennedy Memorial Park. The campus opened for the fall semester of 1965 and has a current enrollment of over 3,000. This two-year institution offers the Associate in Arts certificate in over 20 special vocational programs.

Degree institutions in the area include Pacific Union College, located in the northern part of the county at Angwin, and Sonoma State College in neighboring Sonoma County. Pacific Union is the second oldest of the twelve Seventh-day Adventist colleges in North America, and is fully accredited to offer pre-professional and graduate degrees in a number of fields. The city is an hour's drive from the University of California at Berkeley and other San Francisco Bay Area universities.

Community Facilities and Recreation

Queen of the Valley Hospital, a non-profit community hospital which is owned and operated by the Sisters of St. Joseph, is located in Napa. A 135-bed, $3,000,000 structure, this institution provides a complete range of services. St. Helena Hospital and Health Center is located approximately twenty miles north of the City of Napa. The 240-bed medical facility is devoted to general hospital care for the acutely ill and to health center programs. St. Helena Hospital and Sanitarium is owned and operated by the Seventh-day Adventist Church as a non-profit corporation. The medical staff is comprised of 35 doctors and the hospital has 350 employees.

Napa is served by 45 churches representing most denominations. The city has many parks and an excellent recreation program operated in connection with the school system. An Arts Council represents more than 20 cultural organizations active throughout the year.

There are two libraries in the city, one for adults and one devoted to serving youth.

Local newspaper coverage is provided by the daily Napa Register, which occupies a new $250,000 building in the city, and the weekly Napa Record. San Francisco and Oakland metropolitan newspapers are circulated in the community, and the Vallejo Times Herald maintains an office in Napa.

In September of 1965, the John F. Kennedy Memorial Park, financed by sale of $725,000 city general obligation bonds, was initially opened for public use. The 346-acre park, adjacent to the Napa River and three miles from downtown Napa, provides recreational facilities for residents of the city and the surrounding area. The park includes a multi-use building and clubhouse, picnicking facilities, riding and hiking trails, and landscaped water areas. The key feature of the park is an eighteen-hole championship golf course.

Lake Berryessa, opened in 1958, is located 25 miles north of Napa. The lake, more than 24 miles long and a mile wide, was formed by Monticello Dam. Eight resorts are located on its shores and facilities include launching ramps, trailer parks, hotels, motels, and restaurants. Lake Hennessey, Napa's 30,000 acre-foot lake behind Conn Dam, provides a nearby recreation spot fifteen miles north of the city.

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